

October 24, 2003

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Ms. Marlene H. Dortch, Secretary Federal Communications Commission 445 12<sup>th</sup> Street, S.W. Washington, D.C. 20554 FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY

Re: WC Docket No. 02-359, In the Matter of the Petition of Cavalier Telephone, LLC Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia Inc. and for Arbitration

Dear Ms. Dortch:

Cavalier Telephone, LLC ("Cavalier") respectfully submits an original and four copies of its Notification of Subsequent Final Offers, as requested by the Wireline Competition Bureau in an October 22, 2003 telephone conference with the parties.

Please contact me at 804.422.4517 if you have any questions.

Sincerely,

Stephen T. Perkins Counsel for Petitioner

cc: Karen Zacharia, Esquire Kimberly A. Newman, Esquire Ms. Terri Natoli

Mr. Jeremy Miller Ms. Deena Shetler Ţ

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# Before the Federal Communications Commission Washington, D.C. 20554

OCT 2 4 2003

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

| In the Matter of                          | ) |                      |
|-------------------------------------------|---|----------------------|
|                                           | ) |                      |
| Petition of Cavalier Telephone, LLC       | ) | WC Docket No. 02-359 |
| Pursuant to Section 252(e)(5) of the      | ) |                      |
| Communications Act for Preemption         | ) |                      |
| of the Jurisdiction of the Virginia State | ) |                      |
| Corporation Commission Regarding          | ) |                      |
| Interconnection Disputes with Verizon     | ) |                      |
| Virginia, Inc. and for Arbitration        | j |                      |

### CAVALIER TELEPHONE, LLC's NOTIFICATION OF SUBSEQUENT FINAL OFFERS

Pursuant to the October 22, 2003 ruling by the Wireline Competition Bureau, in a telephone conference with the parties, petitioner, Cavalier Telephone, LLC ("Cavalier"), respectfully submits this Notification of Subsequent Final Offers.

Exhibit "A" to this Notification is a marked-up excerpt from the pricing schedule to the parties' proposed interconnection agreement, and the language proposed in that Exhibit "A" is part of Cavalier's subsequent final offers, but could not be included in a two-column chart because of the format in which it has been maintained from its inception.

Exhibit "B" to this Notification shows which issues and sub-issues have been resolved since Cavalier filed its August 1, 2003 Petition in this proceeding. It will be updated to indicate specifically all language in the interconnection agreement that is disputed between the parties, upon receipt and comparison of Verizon's Notification of Subsequent Final Offers.

| DISPUTED ISSUES                    | CAVALIER PROPOSED CONTRACT LANGUAGE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Issue C2: Should Verizon be        | 9.6 - Network Rearrangements. If either Party rearranges its network in                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| required to compensate Cavalier    | a manner which makes it necessary for the other Party to move existing                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| for out-of-pocket expenses         | facilities or establish new facilities in order to maintain the same level of                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| incurred in response to Verizon    | service and interconnection as existed before the rearrangement, then the                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| network rearrangements (such       | Party making the rearrangement shall compensate the other Party for the reasonable costs that the other Party incurs in accommodating the                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| as tandem re-homing)? (§ 9.6).     | rearrangement, unless both Parties reach agreement in writing as to a                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|                                    | different allocation of such costs.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Issue C3: Should meet-point        | 1.12(b) - "Carrier Identification Code" or "CIC" is a numeric code                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| billing be improved as set forth   | assigned by the North American Numbering Plan (NANP) Administrator                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| in Cavalier's Virginia             | for the provisioning of selected switched services. The numeric code is                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| arbitration petition? (§§ 1.12(b), | unique to each entity and is used to route the call to the trunk group                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 1.46, 1.48, 1.62(a), 1.87, 5.6.6,  | designated by the entity to which the code was assigned.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 5.6.6.1, 5.6.6.2, and 7.2.2)       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|                                    | 1.46 - "Jurisdiction Information Parameter" or "JIP" is a numeric code included in the Initial Address Message for a call, as specified in American National Standards Institute (ANSI) standard T1.113.3 §3.23A. The procedures for the JIP are specified in ANSI T1.113.4 §2.1.10C. The Address Signal field of the JIP identifies the originating local network for the call.                                                                                                                                                                                                                                                                                                                                                   |
|                                    | 1.48 - "Local Routing Number" or "LRN" is a 10-digit number in the Service Control Point (SCP) database maintained by the Numbering Portability Administration Center (NPAC), used to identify a switch with ported numbers.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                                    | 1.62(a) - "Operating Company Number" or "OCN" is a four-place alphanumeric code that uniquely identifies providers of local telecommunications service and is required of all service providers in their submission of utilization and forecast data.                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|                                    | 1.87 - "Tandem Transit Traffic" or "Transit Traffic" means Telephone Exchange Service traffic that originates on either Party's network or the network of another carrier (competitive local exchange carrier, independent telephone company, commercial mobile radio service (CMRS) carrier, or other local exchange carrier) and is transported through either Party's switch that performs a tandem function to either Party or another carrier that subtends the relevant switch (performing a tandem function), to which such traffic is delivered substantially unchanged. "Transit Traffic" and "Tandem Transit Traffic" do not include or apply to traffic that is subject to an effective Meet-Point Billing Arrangement. |
|                                    | 5.6.1 - Additional Terms and Conditions for Meet Point Billing are addressed in Section 6.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|                                    | 5.6.6 - To facilitate accurate billing to the originating carrier, each Party shall pass sufficient information to allow proper billing, in the form of Calling Party Number ("CPN"), CIC, LRN, OCN, and/or JIP information on each call, including Transit Traffic, carried over the Interconnection Trunks. The Parties agree to use appropriate information in the form of CPN, CIC, LRN, OCN, and/or JIP information, as set forth below.                                                                                                                                                                                                                                                                                      |

### DISPUTED ISSUES

### CAVALIER PROPOSED CONTRACT LANGUAGE

5.6.6.1 - If one Party passes sufficient information to allow proper billing of traffic, in the form of CPN, CIC, LRN, OCN, and/or JIP, on ninetyfive percent (95%) or more of the calls that it sends to the other Party, then the receiving Party shall bill the originating carrier the Reciprocal Compensation Traffic termination rates, Measured Internet Traffic rates, intrastate Switched Exchange Access Service rates, intrastate/interstate Transit Traffic rates, or interstate Switched Exchange Access Service rates applicable to each relevant minute of traffic (including for the Parties, the rates specified in Exhibit A and applicable Tariffs), for which sufficient information to allow proper billing of traffic, in the form of CPN, CIC, LRN, OCN, and/or JIP, is passed. For the remaining (up to five percent (5%) of) calls without sufficient information to allow proper billing of traffic, in the form of CPN, CIC, LRN, OCN, and/or JIP information, the receiving Party shall bill the other carrier for such traffic at Reciprocal Compensation Traffic termination rates, Measured Internet Traffic rates, intrastate Switched Exchange Access Service rates, intrastate/interstate Transit Traffic rates, or interstate Switched Exchange Access Service rates applicable to each relevant minute of traffic (including for the Parties, the rates specified in Exhibit A and applicable Tariffs), in direct proportion to the minutes of use of calls passed with sufficient information to allow proper billing of traffic, in the form of CPN, CIC, LRN, OCN, and/or JIP,.

5.6.6.2 - If one Party passes sufficient information to allow proper billing of traffic, in the form of CPN, CIC, LRN, OCN, and/or JIP, on less than ninety-five percent (95%) of its calls, the receiving Party shall bill the other Party the higher of its intrastate Switched Exchange Access Service rates or its interstate Switched Exchange Access Service rates for that traffic passed without sufficient information to allow proper billing of traffic, in the form of CPN, CIC, LRN, OCN, and/or JIP, which exceeds five percent (5%), unless the Parties mutually agree that other rates should apply to such traffic. For any remaining (up to five percent (5%) of) calls without sufficient information to allow proper billing of traffic, in the form of CPN, CIC, LRN, OCN, and/or JIP, the receiving Party shall bill the other Party the higher of its interstate Switched Exchange Access Service rates or its intrastate Switched Exchange Access Services rates for all traffic that is passed without sufficient information to allow proper billing of traffic, in the form of CPN, CIC, LRN, OCN, and/or JIP, unless the Parties agree that other rates should apply to such traffic. Notwithstanding any other provision of this Agreement, if the receiving Party is not compensated for traffic passed without sufficient information to allow proper billing of traffic, in the form of CPN, CIC, LRN, OCN, and/or JIP, then the other Party must cease routing such traffic from its switch(es) to the receiving Party upon ten (10) days' written notice to the other Party. If the receiving Party is not compensated for such traffic, and the other Party does not cease routing such traffic upon ten (10) days' written notice from the receiving Party, then the receiving Party may cease receiving or terminating such traffic immediately, without further notice or any liability whatsoever to the other Party.

6.3.9 - Cavalier shall provide Verizon via SS7 signaling adequate information to allow Verizon to generate billable call records from its own switch(es), no later than ten (10) business days after the date the usage occurred.

| DISPUTED ISSUES                                 | CAVALIER PROPOSED CONTRACT LANGUAGE                                                                                                                 |
|-------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|
| DISTUTED ISSUES                                 | 7.2.2 - Transit Traffic may be routed over the Interconnection Trunks                                                                               |
|                                                 | described in Sections 4 and 5. Each Party shall deliver each Transit                                                                                |
|                                                 | Traffic call to the other Party with CCS and the appropriate Transactional                                                                          |
|                                                 | Capabilities Application Part ("TCAP") message to facilitate full                                                                                   |
|                                                 | interoperability of those CLASS Features supported by the receiving                                                                                 |
| į                                               | Party and billing functions. In all cases, each Party shall follow the                                                                              |
| J                                               | Exchange Message Interface ("EMI") standard and exchange records                                                                                    |
|                                                 | between the Parties. For such Transit Traffic, each Party shall also                                                                                |
| 1                                               | deliver other necessary information consistent with industry guidelines;                                                                            |
|                                                 | such information shall be sufficient to allow proper billing of such                                                                                |
|                                                 | Transit Traffic, including but not limited to CPN, CIC, LRN, OCN,                                                                                   |
|                                                 | and/or JIP information.                                                                                                                             |
| Issue C4: Should Cavalier be                    | 7.2.6 - Each party shall pay the other party for Transit Service that the                                                                           |
| required to pay the unspecified                 | paying party originates, at the rate specified in Exhibit A, plus any                                                                               |
| charges of non-parties to the                   | additional charges or costs that the terminating CLEC, ITC, CMRS                                                                                    |
| agreement, as determined at the                 | carrier, or other LEC, properly imposes or levies on the compensated                                                                                |
| sole discretion of such non-                    | party for the delivery or termination of such traffic, including any                                                                                |
| parties? (§ 7.2.6)  Issue C5: Should Verizon be | Switched Exchange Access Service charges.  7.2.8 - Neither Party shall take any actions to prevent the other Party                                  |
| required to render affirmative                  | from entering into a direct and reciprocal traffic exchange agreement                                                                               |
| but reasonably limited assistance               | with any carrier to which it originates, or from which it terminates,                                                                               |
| to Cavalier in coordinating                     | traffic. Each party shall provide affirmative but reasonably limited                                                                                |
| direct traffic exchange                         | assistance to assist the other party in negotiating direct and reciprocal                                                                           |
| agreements with third parties?                  | traffic exchange agreements with any carriers to which that party                                                                                   |
| (§ 7.2.8)                                       | originates, or for whom that party terminates, traffic. Such affirmative                                                                            |
|                                                 | but reasonably limited assistance shall consist of timely providing                                                                                 |
|                                                 | information, timely responding to inquiries, and (to the extent that other                                                                          |
| İ                                               | time and resource demands allow) participating in discussions and                                                                                   |
|                                                 | negotiations with third parties. Such affirmative but reasonably limited                                                                            |
|                                                 | assistance shall also be limited to situations in which the party providing                                                                         |
|                                                 | such assistance is materially involved in the exchange of traffic that is                                                                           |
|                                                 | subject to the direct and reciprocal traffic exchange agreement that the                                                                            |
|                                                 | other party is negotiating or seeking to negotiate. In no instance shall                                                                            |
|                                                 | either party's assistance be required when it is manifestly and objectively clear that the other party is merely refused interconnection by a third |
|                                                 | party in a way that could be timely and effectively redressed by action of                                                                          |
|                                                 | the Virginia State Corporation Commission or some other forum.                                                                                      |
| Issue C6: Should Verizon effect                 | 7.3.9 - Verizon and Cavalier will work cooperatively to arrange meetings                                                                            |
| appropriate changes to its E911                 | with PSAPs to answer any technical questions the PSAPs, or county or                                                                                |
| traffics and procedures to                      | municipal coordinators may have regarding the 911/E911 arrangements.                                                                                |
| accommodate the provision of                    | Further, within sixty (60) days from the effective date of this agreement,                                                                          |
| some E911-related services by                   | Verizon and Cavalier shall send a joint letter to the PSAPs, county or                                                                              |
| CLECs such as Cavalier, as set                  | municipal coordinators explaining technical, operational, and                                                                                       |
| forth in Cavalier's Virginia                    | compensation procedures applicable to each party regarding the                                                                                      |
| arbitration petition? (§§ 7.3.9,                | 911/E911 arrangements.                                                                                                                              |
| 7.3.10)                                         | 7.2.10 Com l'annill annual Valle Comment Valle                                                                                                      |
| 1                                               | 7.3.10 - Cavalier will compensate Verizon for connections to its                                                                                    |
|                                                 | 911/E911 pursuant to Exhibit A. However, Verizon shall not charge the PSAPs or any county or municipal coordinators for any 911/E911                |
|                                                 | functions that Cavalier performs. Until Verizon Tariff No. 211, Section                                                                             |
|                                                 | 14. C. is updated to provide for adjusted charges that properly account                                                                             |
|                                                 | for Cavalier's performance of any 911/E911 functions, or until other                                                                                |
|                                                 | appropriate action is taken to adjust those charges, Verizon shall reduce                                                                           |
| •                                               | its charges to PSAPs or county or municipal coordinators to reflect the                                                                             |
|                                                 | applicable Cavalier charges for 911/E911 functions performed by                                                                                     |

| DISPUTED ISSUES                                               | CAVALIER PROPOSED CONTRACT LANGUAGE                                                                                                               |
|---------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                               | Cavalier, or Verizon shall enter into some other arrangement agreed to by                                                                         |
|                                                               | Cavalier and the PSAPs or county or municipal coordinators to the same                                                                            |
| 7. CO. CL. 11.0                                               | effect.                                                                                                                                           |
| Issue C9: Should the agreement                                | 11.2.3 - "2-Wire ISDN Digital Grade Loop" or "BRI ISDN" provides a channel with 2-wire interfaces at each end that is suitable for the            |
| include language to address inconsistency between the results | transport of 160 kbps digital services using the ISDN 2B1Q line code, as                                                                          |
| obtained by Verizon and by                                    | described in ANSI T.1601-1998 and Verizon TR 72575, as revised from                                                                               |
| Cavalier from the loop                                        | time to time. In some cases, loop extension equipment may be necessary                                                                            |
| prequalification database, to                                 | to bring the line loss within acceptable levels. Verizon will provide loop                                                                        |
| allow Cavalier to use Verizon's                               | extension equipment only upon request.                                                                                                            |
| unbundled local loops to provide                              |                                                                                                                                                   |
| xDSL services consistent with                                 | 11.2.4 - "2-Wire ADSL-Compatible Loop" or "ADSL 2W" provides a                                                                                    |
| applicable industry standards, to                             | channel with 2-wire interfaces at each end that is suitable for the                                                                               |
| allow Cavalier the option of                                  | transport of digital signals up to 8 Mbps toward the Customer and up to 1                                                                         |
| ordering 4-wire (as opposed to 2-                             | Mbps. from the Customer. In addition, ADSL-Compatible Loops will be will be available only when existing copper facilities can meet the criteria  |
| wire) DS1 loops, to provide<br>maintenance on xDSL loops      | specified in the loop Spectrum Management standard, ANSI T1.417-                                                                                  |
| within the same time interval as                              | 2001.                                                                                                                                             |
| for DS1 loops, and to adopt                                   |                                                                                                                                                   |
| appropriate pricing for loop                                  | 11.2.5 - "2-Wire HDSL-Compatible Loop" or "HDSL 2W" consists of a                                                                                 |
| conditioning and loops used by                                | single 2-wire non-loaded, twisted copper pair. In addition, HDSL-                                                                                 |
| Cavalier to provide xDSL                                      | Compatible Loops will be will be available only when existing copper                                                                              |
| service? (§§ 11.2 and Exhibit A)                              | facilities can meet the criteria specified in the loop Spectrum                                                                                   |
|                                                               | Management standard, ANSI T1.417-2001.                                                                                                            |
|                                                               | 11.2.6 - "4-Wire HDSL-Compatible Loop" or "HDSL 4W" consists of                                                                                   |
|                                                               | two 2-wire non-loaded, twisted copper pairs that meet the carrier serving                                                                         |
|                                                               | area design criteria. In addition, HDSL-Compatible Loops will be will                                                                             |
|                                                               | be available only when existing copper facilities can meet the criteria                                                                           |
|                                                               | specified in the loop Spectrum Management standard, ANSI T1.417-                                                                                  |
|                                                               | 2001.                                                                                                                                             |
|                                                               | 1108 #2 XVI IDOI Come Cli Marellio I Vicentia of a dual- 2                                                                                        |
|                                                               | 11.2.7 - "2-Wire IDSL-Compatible Metallic Loop" consists of a single 2-<br>wire non-loaded, twisted copper pair. This UNE loop, is intended to be |
|                                                               | used with very-low band symmetric DSL systems that meet the loop                                                                                  |
|                                                               | Spectrum Management standard, ANSI T1.417-2001 and are not                                                                                        |
|                                                               | compatible with 2B1Q 160 kbps ISDN transport systems. The actual                                                                                  |
|                                                               | data rate achieved depends upon the performance of Cavalier-provided                                                                              |
|                                                               | modems with the electrical characteristics associated with the loop. This                                                                         |
|                                                               | loop cannot be provided via UDLC. IDSL-compatible local loops will be                                                                             |
|                                                               | provided only where facilities are available and can meet applicable                                                                              |
|                                                               | specifications. Verizon will not build new copper facilities.                                                                                     |
|                                                               | 11.2.8 - "2-Wire SDSL-Compatible Loop", is intended to be used with                                                                               |
|                                                               | low band symmetric DSL systems that meet the loop Spectrum                                                                                        |
|                                                               | Management standard, ANSI T1.417-2001. This UNE loop consists of a                                                                                |
|                                                               | single 2-wire non-loaded, twisted copper pair intended to meet meet the                                                                           |
|                                                               | loop Spectrum Management standard, ANSI T1.417-2001. The data rate                                                                                |
|                                                               | achieved depends on the performance of the Cavalier-provided modems                                                                               |
|                                                               | with the electrical characteristics associated with the loop. Verizon will                                                                        |
|                                                               | not build new copper facilities.                                                                                                                  |
|                                                               | 11 2 9(a) H2 Wine Digital Designed Materilla I and according to the second                                                                        |
|                                                               | 11.2.8(a) - "2-Wire Digital Designed Metallic Loop" provides a channel with 2-wire interfaces at each end, which is intended to be used for low-  |
|                                                               | frequency digital services which do not interfere with transmission of                                                                            |

| DISPUTED ISSUES                                                                                                                                 | CAVALIER PROPOSED CONTRACT LANGUAGE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                 | voice traffic. Cavalier may deploy any loop technology that meets the loop Spectrum Management standard, ANSI T1.417-2001, for deployment on all loop lengths. The transmit power is limited to 14.0 dBm. This loop may be ordered with load coil removal under the terms and conditions for load coil removal under Digital Designed Loops.                                                                                                                                                                                                                                                                                                                                                                                                                     |
|                                                                                                                                                 | 11.2.9 "4-Wire DS1-compatible Loop" is a digital transmission channel suitable for the transport of 1.544 Mbps digital signals that is provided on an unbundled basis pursuant to 47 U.S.C. § 251(c)(3) and 47 C.F.R. Part 51. This loop type is more fully described in ANSI T1.403, as revised from time to time. A DS1-compatible Loop requires the electronics necessary to provide the DS-1 transmission rate. Notwithstanding any other provision of this Agreement, Verizon will provide DS-1 Loops consistent with, but only to the extent required by any applicable order or decision of the FCC or the Commission. Upon a specific request from Cavalier, Verizon will provision 4-Wire DS1-compatible Loops as 4-wire loops and not as 2-wire loops. |
|                                                                                                                                                 | 11.2.12 - A. Cavalier shall place orders for xDSL Compatible Loops and Digital Designed Loops by delivering to Verizon a valid electronic transmittal service order or other mutually agreed upon type of service order. Such service order shall be provided in accordance with industry format and specifications or such format and specifications as may be agreed to by the Parties.                                                                                                                                                                                                                                                                                                                                                                        |
|                                                                                                                                                 | B. Verizon is in the process of conducting a mechanized survey of existing Loop facilities, on a Central Office by Central Office basis, to identify those Loops that meet the applicable technical characteristics established by Verizon for compatibility with ADSL, HDSL, SDSL, IDSL and ISDN signals. The results of this mechanized survey will be stored in a mechanized database that is made available to Cavalier on a non-discriminatory basis. Cavalier may utilize this mechanized loop qualification database, where available, in advance of submitting a valid electronic transmittal service order for an ADSL, HDSL, SDSL, IDSL or ISDN Loop. Charges for mechanized loop qualification information are set forth in Exhibit A.                |
|                                                                                                                                                 | C. For all DSL-compatible loops provided by Verizon to Cavalier, whether in a form described in section 11.2 of this Agreement or in the DSL, ADSL, or RADSL forms available through ordering forms on Verizon's graphical user interface (GUI) or otherwise, Verizon shall respond to trouble tickets or trouble reports, and to Cavalier's requests for dispatch or repair services, within the same time intervals that Verizon responds to trouble tickets or trouble reports, or requests for dispatch or repair services, for DS-1 circuits.                                                                                                                                                                                                               |
|                                                                                                                                                 | See also accompanying redlined version of Exhibit A, which is an excerpt from the marked-up pricing schedule that was part of Exhibit B to Cavalier's August 1, 2003 Petition in this proceeding.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Issue C10: Should the agreement be amended to add a queue provision, require dark fiber maps showing central office connectivity, require added | 11.2.15.4 - A Dark Fiber Inquiry Form must be submitted prior to submitting an ASR. Upon receipt of Cavalier's completed Dark Fiber Inquiry Form, Verizon will initiate a review of its cable records to determine whether Dark Fiber Loop(s) or Dark Fiber IOF may be available between the locations and in the quantities specified. Verizon                                                                                                                                                                                                                                                                                                                                                                                                                  |

### DISPUTED ISSUES

detail for responses to dark fiber inquiries, and require good-faith negotiation in the event of disputes over the availability of dark fiber? (§ 11.2.15)

### CAVALIER PROPOSED CONTRACT LANGUAGE

will respond within fifteen (15) Business Days from receipt of the Cavalier's Dark Fiber Inquiry Form, indicating whether Dark Fiber Loop(s) or Dark Fiber IOF may be available (if so available, an "Acknowledgement") based on the records search except that for ten (10) or more requests per LATA or large, complex projects, Verizon reserves the right to negotiate a different interval. The Dark Fiber Inquiry is a record search and does not guarantee the availability of Dark Fiber Loop(s) or Dark Fiber IOF. Where a direct Dark Fiber IOF route is not available. Verizon will provide, where available. Dark Fiber IOF via a reasonable indirect route that passes through intermediate Verizon Central Offices at the rates set forth in Exhibit A. Any limitations on the number of intermediate Verizon Central Offices will be discussed with Cavalier. If access to Dark Fiber IOF is not available, Verizon will notify Cavalier, within fifteen (15) Business Days, that no spare Dark Fiber IOF is available over the direct route nor any reasonable alternate indirect route, except that for voluminous requests or large, complex projects, Verizon reserves the right to negotiate a different interval. Where no available route was found during the record review, Verizon will identify the first blocked segment on each alternate indirect route and which segment(s) in the alternate indirect route are available prior to encountering a blockage on that route, at the rates set forth in Exhibit A. In responding to Dark Fiber Inquiries from Cavalier, Verizon will identify whether fiber is: (i) installed and available, (ii) installed but not available, or (iii) not installed. Where fiber is not available, Verizon shall describe in reasonable detail the reason why fiber is not available, including, but not limited to, specifying whether fiber is present but needs to be spliced, whether no fiber at all is present between the two points specified by Cavalier, whether further work other than splicing needs to be performed, and the nature of any such further work other than splicing. If Verizon responds that fiber is installed, whether or not it is available, then Verizon shall also provide information specifying the locations of all pedestals, vaults, other intermediate points of connection, and also specifying which portions have available fiber and which portions do not. Use of information provided by Verizon pursuant to this provision shall be limited to Cavalier's engineering and operations personnel. Cavalier's marketing personnel shall not be permitted access to, or use of, this information. This provision is intended to reduce uncertainty about whether or not dark fiber is "terminated" or not.

11.2.15.4.1 - Cavalier shall indicate on the Dark Fiber Inquiry Form whether the available Dark Fiber should be reserved, at the rates set forth in Exhibit A, pending receipt of an order for the Dark Fiber. If Cavalier submits a Dark Fiber Inquiry to Verizon concerning the availability of one or more pairs of dark fiber on a route where fiber exists, but pairs of dark fiber are not presently available, then upon written request by Cavalier, Verizon shall place Cavalier's inquiry in queue for a period of two (2) years and will provide Cavalier with written noticed within thirty (30) days if any pairs of dark fiber become available along that route. Upon written request by Cavalier, Verizon shall extend the time for holding a request in queue by an additional two (2) years.

11.2.15.5 - Upon request, and subject to time and material charges to be quoted by Verizon, Verizon shall provide to Cavalier the following information: (i)Within 10 (ten) business days after written request by Cavalier, for each specified area that is a subset of a local access and

| DISPUTED ISSUES                   | CAVALIER PROPOSED CONTRACT LANGUAGE                                                                                                                        |
|-----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                   | transport area (LATA) in which Verizon and Cavalier are both certified                                                                                     |
|                                   | to provide service, Verizon shall provide Cavalier with a map that: (i)                                                                                    |
|                                   | shows the location of each Verizon central office (including tandems, end                                                                                  |
|                                   | offices, and remotes), and (ii) indicates in a straight-line, dot-to-dot format, all existing routes for dark fiber connecting any central office          |
|                                   | with any other central office, with the inclusion of connectivity                                                                                          |
| ĺ                                 | information as opposed to strict geographic accuracy or the specific route                                                                                 |
|                                   | of the fiber. Use of information provided by Verizon pursuant to this                                                                                      |
|                                   | provision shall be limited to review by Cavalier's engineering and                                                                                         |
|                                   | operations personnel on Verizon's premises. Cavalier's marketing                                                                                           |
|                                   | personnel shall not be permitted access to, or use of, this information,                                                                                   |
|                                   | and Cavalier shall not remove any such maps from Verizon's premises without Verizon's advance, written approval, which approval may be                     |
|                                   | withheld at Verizon's sole discretion. This provision is intended to                                                                                       |
|                                   | reflect more closely the practices of fiber vendors who provide this type                                                                                  |
|                                   | of information without charge and immediately upon demand. (ii) A                                                                                          |
| 1                                 | joint field survey, upon Cavalier's written agreement to pay the costs of a                                                                                |
|                                   | joint field survey, Verizon shall then within ten (10) business days                                                                                       |
|                                   | perform a joint field survey, and Cavalier shall pay the estimated cost of                                                                                 |
|                                   | Verizon's time and materials plus any additional costs incurred by Verizon that were not reasonably foreseeable at the time that Verizon                   |
|                                   | provided its estimate of the survey's cost. The joint field survey shall                                                                                   |
| 1                                 | show the availability of dark fiber pairs between two or more Verizon                                                                                      |
|                                   | central offices, a Verizon central office and another central office or a                                                                                  |
|                                   | Verizon end office and the premises of a Customer, shows whether or not                                                                                    |
|                                   | such pairs are defective, shows whether or not such pairs have been used                                                                                   |
|                                   | by Verizon for emergency restoration activity and tests the transmission characteristics of Verizon dark fiber pairs. Prior to performing such a           |
|                                   | field survey, upon Cavalier's written request, Verizon shall within five                                                                                   |
| J                                 | (5) business days provide Cavalier with a binding estimate of the cost of                                                                                  |
|                                   | Verizon's time and materials to perform the joint field survey with                                                                                        |
|                                   | Cavalier. If a field survey shows that a Dark Fiber Loop or Dark Fiber                                                                                     |
|                                   | IOF is available, Cavalier may reserve the Dark Fiber Loop or Dark Fiber                                                                                   |
|                                   | IOF, as applicable, for ten (10) Business Days from receipt of Verizon's field survey results. If Cavalier submits an order for access to such Dark        |
|                                   | Fiber Loop or Dark Fiber 10F after passage of the foregoing ten (10)                                                                                       |
|                                   | Business Day reservation period, Verizon does not guarantee or warrant                                                                                     |
|                                   | the Dark Fiber Loop or Dark Fiber IOF will be available when Verizon                                                                                       |
|                                   | receives such order, and Cavalier assumes all risk that the Dark Fiber                                                                                     |
| 1                                 | Loop or Dark Fiber IOF will not be available. Verizon shall perform a                                                                                      |
|                                   | field survey subject to a negotiated interval. If Cavalier submits an order for a dark fiber pair without first obtaining the results of a field survey of |
|                                   | such pair, Cavalier assumes all risk that the pair will not be compatible                                                                                  |
|                                   | with Cavalier's equipment, including, but not limited to, order                                                                                            |
|                                   | cancellation charges.                                                                                                                                      |
|                                   | <u> </u>                                                                                                                                                   |
|                                   | The parties also agree to negotiate in good faith to devise a viable,                                                                                      |
|                                   | alternative means of resolving any disputes about the availability of dark fiber, if the maps or field survey process described above leave either         |
| 1                                 | party with doubt or uncertainty about the availability of dark fiber.                                                                                      |
|                                   | hand the same of supering and supering at any state.                                                                                                       |
| Issue C14: Should the             | 11.4 - Loops Served by Integrated Digital Loop Carrier                                                                                                     |
| agreement require a limited trial |                                                                                                                                                            |
| to explore IDLC loop              | 11.4.1 - Cavalier and Verizon will jointly test and develop a method of                                                                                    |
| unbundling, as proposed in        | unbundled access to loops or lines served through integrated digital loop                                                                                  |

| ducts, rights-of-way and conduits it owns or controls, pursuant to any       | · · · · · · · · · · · · · · · · · · · |
|------------------------------------------------------------------------------|---------------------------------------|
| ("Licensee") access for purposes of making attachments to the poles,         |                                       |
| available, each Party ("Licensor") shall provide the other Party             | , (0.01 §) (\$ teschments?            |
| 16.1 - To the extent required by Applicable Law and where facilities are     | brocess apply for pole                |
|                                                                              | engineering and make-ready            |
| 16.0 - ACCESS TO RIGHTS-OF-WAY SECTION 251(b)(4)                             | <u> Issue C16</u> : Should a unified  |
|                                                                              |                                       |
| within thirty (30) days after the testing meeting.                           |                                       |
| unsuccessful, then the parties will schedule another reassessment meeting    |                                       |
| days after the testing meeting. Alternatively, if the later-tested method is |                                       |
| the parties will schedule an implementation meeting within sixty (60)        |                                       |
| sixty (60) days thereafter. If the later-tested method is successful, then   |                                       |
| within another sixty (60) days thereafter, and another test date within      |                                       |
| should be tested, then the parties will schedule another initial meeting     |                                       |
|                                                                              |                                       |
| 11.4.6 - If the parties agree that such other technically feasible method    |                                       |
| technically feasible method should be tested.                                |                                       |
|                                                                              |                                       |
| after the unsuccessful conclusion of testing to assess whether any other     |                                       |
| successful, then Verizon and Cavalier will meet within thirty (30) days      |                                       |
| served by IDLC. If the test of a particular unbundling method is not         |                                       |
| economic limitations that may apply to the unbundling of loops or lines      |                                       |
| this meeting, he parties shall discuss any technical, operational, or        |                                       |
| terms, and conditions as an unbundled loop provisioned over copper. At       |                                       |
| or lines on a fully available, commercial basis under the same rates,        |                                       |
| implement the use of that particular unbundling process for IDLC loops       |                                       |
| method, Verizon and Cavalier will meet to develop the procedures to          |                                       |
| within 60 (sixty) days after the meeting to test that particular unbundling  |                                       |
| 11.4.5 - If the test of a particular unbundling method is successful, then   |                                       |
|                                                                              |                                       |
| unbundling method developed in the initial meeting.                          |                                       |
| days after that initial meeting, the parties will meet and test the          |                                       |
| be tested, and the technical parameters for such tests. Within 60 (sixty)    |                                       |
| each method of unbundled access to loops or lines served by IDLC will        |                                       |
| this Agreement, the parties will meet and specify the initial sites where    |                                       |
| be imposed upon either party. Within sixty (60) days after execution of      |                                       |
| parties will work together to avoid any inordinate burden or expense to      |                                       |
| developing methods of unbundled access to lines served by IDLC. Both         |                                       |
| 11.4.4 - Each party will bear its own, reasonable costs incurred in          |                                       |
|                                                                              |                                       |
| digital connection from individual unbundled loops to Cavalier.              |                                       |
| systems. One or more of these methods will be used to provide a direct       |                                       |
| facilities, or the termination of loops to integrated network access         |                                       |
| discrete groups of multiplexed loops may be assigned to transmission         |                                       |
| be multiple switch hosting, or grooming of the integrated loops, such that   |                                       |
| number of lines served by IDLC, the new trial method to be tested will       | i                                     |
| 11.4.3 - For central offices where Cavalier seeks access to a larger         |                                       |
| . , , , , , , , , , , , , , , , , , , ,                                      |                                       |
| direct digital connection from individual unbundled loops to Cavalier.       |                                       |
| be a "side-door," "hairpin," or "nail-up" connection, used to provide a      |                                       |
| number of lines served by IDLC, the new trial method to be tested will       |                                       |
| 11.4.2 - For a central offices where Cavalier seeks access to a limited      |                                       |
|                                                                              |                                       |
| collocation augments.                                                        |                                       |
| develop a method for the parallel provisioning of dark fiber and             | petition? (§ 11.4)                    |
| carrier (IDLC), to follow generally the process that the parties used to     | Cavalier's Virginia arbitration       |
| CAVALIER PROPOSED CONTRACT LANGUAGE                                          | DISPUTED ISSUES                       |
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existing or future license agreement between the Parties. Such access shall be in conformance with 47 U.S.C. § 224 and on terms, conditions and prices comparable to those offered to any other entity pursuant to each Party's applicable Tariffs (including generally available license agreements).

- 16.2 Within ninety (90) days after execution of this Agreement, and notwithstanding the provisions of any generally available license agreement, or any license agreement executed between Cavalier and Verizon, Verizon and Cavalier will establish a new permitting and makeready process for attaching to utility poles owned by Verizon and other utilities (with the term "utilities" having the same meaning as under 47 U.S.C. § 224), under which a single contractor will engineer the permit and a single contractor will perform the make-ready work required under the permit. The single contractor may or may not perform both tasks.
- 16.2.1 This new permitting process may require the agreement of other attachers to allow a single entity to perform either or both of the engineering and make-ready work on other parties' attachments to the poles. Verizon will use its best efforts to seek the concurrence of other attachers to participate in, and agree to, the new permitting process for attaching fiber-optic cable, or other facilities and equipment, to utility poles owned by Verizon and other utilities.
- 16.2.2 As part of the development of this new permitting process, Verizon will diligently review its pole attachment agreements and joint use agreements with other parties and use its best efforts to exercise any rights to implement, or achieve concurrence with, the new permitting and make-ready process. Cavalier's input and assistance will be important during the ultimate implementation phase of the new make-ready process, subject to Verizon's responsibility, as pole owner, for managing and maintaining its poles, and coordinating the overall attachment process. However, in the initial stages of the process, to maximize the chances that other parties attached to the poles will not object to the concept of a single engineering or make-ready contractor, Verizon will be primarily responsible for meeting with, and seeking the concurrence of, other parties attached to the poles, and endeavoring to implement the new permitting and make-ready process.
- 16.2.3 If the circumstances warrant, then Verizon may request indemnification from Cavalier of risks or costs incurred as a result of obtaining or requiring agreement with the new permitting and makeready process from the other parties attached to the poles.
- 16.2.4 For poles that Verizon owns and poles that other entities own, Verizon will use its best efforts to identify and contract with a single contractor to perform all engineering work and all make-ready work in both the power supply space (if any) and the communications space on the poles. However, the parties recognize that it may prove more cost-effective for separate contractors to perform the engineering work and the make-ready work, or for separate contractors to perform the make-ready work in the power supply space (if any) and the communications space on the poles.
- 16.2.5 Both parties recognize that obtaining or requiring the agreement

### **DISPUTED ISSUES** CAVALIER PROPOSED CONTRACT LANGUAGE of other parties attached to the poles to allow the engineering of rearrangements to those parties' facilities by another entity may be more problematic than obtaining or requiring the agreement of those parties to the performance of make-ready work by another entity. However, both Cavalier and Verizon will use their respective best efforts to resolve any such issues. 16.2.6 - As part of the new permitting and make-ready process, Verizon will use its best efforts in working with Cavalier to define the powerrelated and telecommunications-related aerial make-ready requirements for Cavalier's attachments to poles owned by Verizon, and to poles that are owned by other entities and hold Verizon pole attachments. (a) With respect to make-ready engineering work, the work performed by the single engineering contractor will include specification of the following: attachment height and side of pole (neutral side or not) of existing attachments, the changes needed in the power space to make the pole ready for Cavalier's attachment (using the requirements specified below), the changes need to each telecommunications attachment to make the pole ready for Cavalier's attachment (using the same requirements specified below), the attachment height and side of pole (neutral side or not) of existing attachments after make-ready work is complete, the same information for Cavalier's attachment (after makeready work is complete), the use of extension arms, the required guys and anchors, the required bonding, the required tree trimming, a description of all existing violations of applicable safety and engineering requirements, and changes that are needed to correct existing safety or engineering requirements even if Cavalier were not to attach to the pole. With respect to make-ready construction, the work performed by the single construction contractor will include the following: all power-related make-ready construction, all telecommunications-related make-ready construction, and conformance to a completion schedule for each segment of network. The single construction contractor will also provide a cost estimate, and may perform, the following: any incremental underground construction required or requested, and the installation of Cavalier's strand and fiber (aerial and underground). 16.2.7 - For the new permitting and make-ready process, the design requirements are as follows: comply with all applicable National Electrical Safety Code (NESC) requirements, comply with all applicable National Electric Code (NEC) requirements, comply with all applicable BellCore "Blue Book" specifications, comply with all applicable industry safety practices and regulations, comply with all proper and applicable Verizon operational guidelines, comply with all proper and applicable operational guidelines of any other pole owner, comply with all proper and applicable operational guidelines of any other party attached to the poles (where not in conflict with other requirements), and avoid underground construction (with route changes considered by Cavalier upon request). 16.2.8 - Verizon will use its best efforts to work with Cavalier to

establish a common, required time frame to complete all permitting and make-ready work. If an approved third-party contractor (including a parent, subsidiary, or other affiliate of Verizon) is performing make-

| DISPUTED ISSUES                                                                                                          | CAVALIER PROPOSED CONTRACT LANGUAGE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
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| DISTUIED ISSUES                                                                                                          | ready work, and the volume of work to be performed reasonably permits it, then the required time frame to complete all engineering and makeready work shall be forty-five (45) days from the submission of a permit application to Verizon, unless both parties agrees in writing to a lengthier time frame.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <u>Issue C17</u> : Should a new process govern proper handling of                                                        | 18.2 - Customer Contact, Coordinated Repair Calls and Misdirected Inquiries                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| customer contacts, as proposed<br>by Cavalier with issues 11 and 12<br>in its Virginia arbitration<br>petition? (§ 18.2) | 18.2.1 - Each party will recognize the other party as the customer of record of all Services ordered by the other party under this Agreement. Each party shall be the single point of contact for its own Customers with regard to all services, facilities or products provided by the other party directly to that party, and other services and products which each party's Customers wish to purchase from that party or which they have purchased from that party. Communications by each party's Customers with regard to all services, facilities or products provided by the other party to that party and other services and products which each party's Customers wish to purchase from that party or which they have purchased from that party, shall be made to that party, and not to the other party. Each party shall instruct its Customers that such communications shall be directed to that party, and not to the other party. |
|                                                                                                                          | 18.2.2 - Requests by each party's Customers for information about or provision of products or services which they wish to purchase from that party, requests by that party's Customers to change, terminate, or obtain information about, assistance in using, or repair or maintenance of, products or services which they have purchased from that party, and inquiries by that party's Customers concerning that party's bills, charges for that party's products or services, and, if that party's Customers receive dial tone line service from that party, annoyance calls, shall be made by the that party's Customers to that party, and not to the other party.                                                                                                                                                                                                                                                                          |
|                                                                                                                          | 18.2.3 - Cavalier and Verizon will employ the following procedures for handling misdirected calls:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|                                                                                                                          | 18.2.3.1 - Cavalier and Verizon will educate their respective Customers as to the correct telephone numbers to call in order to access their respective repair bureaus.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|                                                                                                                          | 18.2.3.2 - To the extent Party A is identifiable as the correct provider of service to Customers that make misdirected repair calls to Party B, Party B will immediately refer the Customers to the telephone number provided by Party A, or to an information source that can provide the telephone number of Party A, in a courteous manner and at no charge. In responding to misdirected repair calls, neither Party shall make disparaging remarks about the other Party, its services, rates, or service quality.                                                                                                                                                                                                                                                                                                                                                                                                                           |
|                                                                                                                          | 18.2.3.3 - Cavalier and Verizon will provide their respective repair contact numbers to one another on a reciprocal basis.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|                                                                                                                          | 18.2.3.4 - If either party receives or responds to an inquiry from a Customer of the other party, or a prospective Customer of the other party,                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

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then the party receiving that inquiry shall: (i) provide mutually agreed referrals to that Customer or prospective Customer, who inquires about the other party's products or services. (ii) not disparage or discriminate against the other party or its products or services, and (iii) not provide information about its own products or services during that same inquiry or Customer contact unless such information is specifically requested by

- 18.2.5 Each party shall provide adequate training, and impose sufficiently strict codes of conduct or standards of conduct, for all of its employees and contractors to engage in appropriate professional conduct in any contact with the other party's customers. Each party shall investigate all reports from the other party of any material violations of such standards of conduct and provide a written report to the other party describing in detail: (a) the findings of such investigation, and (b) the remedial or disciplinary action taken in response to any improper conduct identified by the investigating party. For purposes of this section 18.2.5, "appropriate professional conduct" shall be deemed to be conduct that is in accordance with sections 18.2 of this Agreement, as well as all applicable industry standards. For purposes of this section 18.2, the offering of free or discounted classified (Yellow Pages) listings by Verizon or a Verizon affiliate to an existing or prospective Customer of Cavalier, in exchange for a winback of an existing Cavalier Customer or the cancellation of a prospective Cavalier Customer's order to Cavalier for service, shall be deemed not to constitute "appropriate professional conduct" and to be a violation of this section 18.2
- 18.2.6 Violation of sections 18.2.1, 18.2.4, or 18.2.5 of this Agreement shall entitle the non-offending party to immediate payment of one thousand dollars (\$1,000.00) in liquidated damages per occurrence, per subscriber. More than ten (10) violations of this provision within a single month by either party shall entitle the non-offending party to immediate payment of an additional amount of ten thousand dollars (\$10,000,00) in liquidated damages per month, above and beyond any other amounts of liquidated damages that apply under this provision. More than twenty-five (25) violations of this provision within a single month by either party shall entitle the non-offending party to immediate payment of an additional amount of fifty thousand dollars (\$50,000.00) in liquidated damages per month, above and beyond any other amounts of liquidated damages that apply under this provision.
- 18.2.7 Upon the first occurrence of any particular type of allegedly improper conduct reported by one party to the other, and confirmation through investigation or any informal or formal complaint proceeding that any improper conduct did occur, the non-offending party shall not be entitled to liquidated damages pursuant to section 18.2.6 of this Agreement if the investigating party certifies in good faith to the nonoffending party that it has: (a) promptly investigated any report of alleged wrongdoing, and (b) taken prompt, reasonable, and appropriate remedial or disciplinary action in response to any improper conduct identified by the investigating party.
- 18.2.8 The provisions of section 18.2 of this Agreement shall not be construed to preclude either party from seeking relief in any forum of competent jurisdiction, except that each party shall be barred from

| DISPUTED ISSUES                                             | CAVALIER PROPOSED CONTRACT LANGUAGE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Issue C18: Should a credit apply for Verizon pre-production | seeking relief in any forum of competent jurisdiction in response to the first occurrence of any particular type of allegedly improper conduct reported by one party to the other, if the alleged violation is confirmed through investigation and the investigating party certifies in good faith to the non-offending party that it has: (a) promptly investigated any report of alleged wrongdoing, and (b) taken prompt, reasonable, and appropriate remedial or disciplinary action in response to any improper conduct identified by the investigating party. Any relief available in any forum of competent jurisdiction shall be in addition to, and not in place of, any liquidated damages or other relief available or afforded to a non-offending party under section 18.2 of this Agreement.  19.1.3 Cavalier shall provide Verizon with daily listing information on all new Cavalier Customers in the format                                                                                                                                                                               |
| errors, should remedies be                                  | required by Verizon or a mutually-agreed upon industry                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| aligned between CLEC and<br>Verizon retail customers, and   | standard format, at no charge. The information shall include the Customer's name, address, telephone number, the delivery                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| should appropriate provisions                               | address and number of directories to be delivered (if more than                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| govern Yellow Pages contacts                                | one (1) per Customer), and, in the case of a business listing, the                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| and errors? (§ 19.1.6)                                      | primary business heading under which the business Customer desires to be placed, and any other information necessary for the publication and delivery of directories. Cavalier will also provide Verizon with daily listing information showing Customers that have disconnected or terminated their service with Cavalier. Verizon will promptly provide Cavalier with confirmation of listing order activity, either through a verification report or a query on any listing which was not acceptable. Verizon will supply Cavalier with Address Listing Identification ("ALI") codes and other information required to process an order for a directory listing, when that information resides in Verizon's internal OSS or other systems. To the extent Verizon does not supply Cavalier with such complete and accurate information as would enable Cavalier to input, modify, or delete any listings accurately, then Verizon shall be solely responsible for any directory errors that may occur, and must take appropriate steps to correct such errors prior to the production of the directory. |
|                                                             | 19.1.4 Verizon will accord Cavalier's directory listing information the same level of confidentiality which Verizon accords its own directory listing information, and Verizon shall ensure that access to Cavalier's directory listing information will be used solely for the purpose of providing directory services; provided, however, that should it determine to do so, Verizon may use or license information contained in its directory listings for direct marketing purposes so long as the Cavalier Customers are not separately identified as such; and provided further that Cavalier may identify those of its Customers that request that their names not be sold for direct marketing purposes, and Verizon will honor such requests to the same extent as it does for its own Customers.                                                                                                                                                                                                                                                                                                |
|                                                             | 19.1.5 Both Parties shall use commercially reasonable efforts to ensure the accurate listing of Cavalier Customer listings. At                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

### DISPUTED ISSUES CAVALIER PROPOSED CONTRACT LANGUAGE Cavalier's request, Verizon shall provide Cavalier with a report of all Cavalier Customer listings normally no more than ninety (90) days and no less than thirty (30) days prior to the service order close date for the applicable directory. With respect to each listing verification report (LVR), Verizon shall affirmatively certify in writing that it has checked the validity of its directory information against the information submitted by Cavalier. Verizon will process any corrections made by Cavalier with respect to its listings, provided such corrections are received prior to the close date of the particular directory. Verizon will provide appropriate advance notice of applicable close dates. 19.1.6.1 Verizon's liability to Cavalier in the event of a Verizon error in or omission of a listing shall be as specified in Section 19.1.6.2; provided, however, that Verizon agrees to release, defend, hold harmless and indemnify Cavalier from and against any and all claims, losses, damages, suits, or other actions, or any liability whatsoever (hereinafter for purposes of this section, "Claims"), suffered, made, instituted, or asserted by any person arising out of Verizon's listing of the listing information provided by Cavalier if such Claims are the proximate result of Verizon's gross negligence or willful misconduct; provided further that the foregoing indemnification shall apply only if and, to the extent that, Cavalier's tariffs and Customer contracts contain limitation of liability provisions which, in the event of a Verizon or Cavalier error in or omission of a directory listing, are the same in relevant substance as those contained in Verizon's tariffs, and Cavalier has complied with the provisions of Section 24.3 of this Agreement. 19.1.6.2 The following procedures will apply to the calculation and administration of Verizon's liability for directory errors and omissions under Section 19.1.6.1: (a) Within ninety (90) days of the conclusion of the distribution of a directory, Cavalier will submit a report to Verizon of all errors in that directory that Cavalier believes are attributable to a Verizon error. Within thirty (30) days of that date, Verizon will issue a report confirming the Cavalier findings. Discrepancies will be resolved pursuant to the dispute resolution procedures specified in Section 28.11. (b) For all directory listing errors accepted by or found to be attributable to Verizon, including but not limited to omissions, incorrect phone numbers, incorrect addresses, incorrect names, incorrect publications, incorrect captions, improperly categorized listings, and duplicate listings, Verizon will compensate Cavalier at the rate of one-half the amount of the respective Cavalier customer's fixed

monthly charges applicable to Local Exchange Services during the period covered by the directory in which the error or omission occurs. Such amount shall be computed with respect to the fixed monthly charges in effect for the Richmond exchange for the

| DISPUTED ISSUES                                                                                                                                              | CAVALIER PROPOSED CONTRACT LANGUAGE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
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| DISTUTED ISSUES                                                                                                                                              | Cavalier Local Exchange Services, which fixed monthly charges shall not exceed Verizon's charges for the same or comparable services.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|                                                                                                                                                              | (c) If Verizon or an affiliate of Verizon, through its own action or through action taken pursuant to communication with a Cavalier Customer initiated by Verizon or its affiliate, causes an error in a classified (Yellow Pages) listing for which Cavalier would otherwise have had sole responsibility to originate or with respect to which Cavalier would otherwise have had sole responsibility for submitting appropriate information to flow through to a free classified (Yellow Pages) listing, then Verizon will provide to Cavalier a written notification of any subsequent contact that Verizon or Verizon Directory personnel may have with that customer and the nature of that contact, and Verizon will take appropriate remedial action to correct any such error and to compensate Cavalier as may be appropriate under the circumstances. |
|                                                                                                                                                              | 19.1.7 Cavalier will adhere to all practices, standards, and ethical requirements of Verizon with regard to listings, and, by providing Verizon with listing information, warrants to Verizon that Cavalier has the right to place such listings on behalf of its Customers. Verizon will provide Cavalier, upon request, a copy of the Verizon listings standards and specifications manual. Cavalier agrees to release, defend, hold harmless and indemnify Verizon from and against any and all claims, losses, damages, suits, or other actions, or any liability whatsoever, suffered, made, instituted, or asserted by any person arising out of Verizon's listing of the listing information provided by Cavalier hereunder, except for any actions arising from Verizon's willful misconduct.                                                           |
|                                                                                                                                                              | 19.1.8 The parties may negotiate in good faith an arrangement under which Cavalier will have direct, unmediated access to and ability to input, delete, amend and update its listings within Verizon's directory databases, such that Cavalier may take direct responsibility and accountability for the accuracy of its listings in Verizon's systems. If such an arrangement is established, then the provisions of Section 19.1.6.2 above shall be superseded by that arrangement.                                                                                                                                                                                                                                                                                                                                                                           |
| Issue C21: Should the agreement allow for a unilateral Verizon demand for deposits and advance payments? (§ 20.6)                                            | 20.6 – No proposed language. [Cavalier proposes deleting § 20.6 in its entirety.]                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Issue C24: Should an embargo or termination of services require prior Commission approval, as proposed in Cavalier's Virginia arbitration petition? (§ 22.4) | 22.4 - If either Party defaults in the payment of any amount due hereunder, except for amounts subject to a bona fide dispute pursuant to Section 28.9 hereof with respect to which the disputing Party has complied with the requirements of Section 28.9 in its entirety or if either Party materially violates any other material provision of this Agreement, and such default or violation shall continue for sixty (60) days after written notice thereof, the other Party may terminate this Agreement or suspend the provision of any or all services provided under this Agreement by (a) providing written notice to the defaulting Party and (b) obtaining the permission of the Commission, or, if the Commission will                                                                                                                              |

| DISPUTED ISSUES                                                | CAVALIER PROPOSED CONTRACT LANGUAGE                                                                                                          |
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|                                                                | not act, the permission of the FCC. At least twenty-five (25) days prior                                                                     |
|                                                                | to the effective date of such termination or suspension, the other Party                                                                     |
|                                                                | must provide the defaulting Party and the appropriate federal and/or state                                                                   |
|                                                                | regulatory bodies with written notice of its intention to terminate the                                                                      |
|                                                                | Agreement or suspend service if the default is not cured. Notice shall be                                                                    |
|                                                                | posted by overnight mail, return receipt requested. If the defaulting Party                                                                  |
|                                                                | cures the default or violation within the sixty (60) day period, the other                                                                   |
|                                                                | Party shall not terminate the Agreement or suspend service provided                                                                          |
|                                                                | hereunder but shall be entitled to recover all reasonable costs, if any,                                                                     |
|                                                                | incurred by it in connection with the default or violation, including,                                                                       |
|                                                                | without limitation, costs incurred to prepare for the termination of the                                                                     |
|                                                                | Agreement or the suspension of service provided hereunder. For the                                                                           |
|                                                                | avoidance of any doubt, and notwithstanding any other provision of this                                                                      |
|                                                                | Agreement or any right conferred by Applicable Law, neither party may                                                                        |
|                                                                | terminate service or refuse to provide additional services under this                                                                        |
|                                                                | Agreement except in accordance with an order of the Commission or the FCC, entered after a proceeding in which the party whose services were |
|                                                                | to be affected has had a full and fair opportunity to present its position on                                                                |
|                                                                | any material matters in dispute between the parties.                                                                                         |
| Issue C25: Should the                                          | 25.5.7 for a claim of defamation;                                                                                                            |
| agreement include a new section                                | w viwini ve weemingtons,                                                                                                                     |
| 25.5.7: "for legally cognizable                                | 25.5.8 for a claim of misleading or inaccurate advertising;                                                                                  |
| damages claimed as a result of                                 |                                                                                                                                              |
| either party's violation of state                              | 25.5.9 for a claim of violation of antitrust laws (including a claim for                                                                     |
| or federal law governing the                                   | trebled or multiple damages under such antitrust laws); or                                                                                   |
| provision of telecommunications                                |                                                                                                                                              |
| services or commerce more                                      | 25.5.10 for a claim of violation of the laws governing communications,                                                                       |
| generally, or as a result of either                            | including: (a) the Communications Act of 1934, as amended by                                                                                 |
| party's violation of any state or                              | the Telecommunications Act of 1996 or subsequently, 47 U.S.C.                                                                                |
| federal regulations governing telecommunications or            | §§ 151 et seq., (b) the Virginia laws governing communications,                                                                              |
|                                                                | including but not limited to applicable provisions of Titles 12.1 and 56 of the Virginia Code, or (c) any unstayed regulations or            |
| commerce more generally?" (§ 25.5.7)                           | decisions of a regulatory body or court of competent jurisdiction                                                                            |
| 25.5.7)                                                        | interpreting or implementing those laws.                                                                                                     |
|                                                                | morproung or implementing those taxes.                                                                                                       |
| Issue C27: Should pricing be                                   | Exhibit A(2)                                                                                                                                 |
| added for charges from Cavalier                                | IN LINE Deleted Franctions Deaf- and des Constitution                                                                                        |
| for Cavalier truck rolls, Verizon                              | IV - UNE-Related Functions Performed by Cavalier                                                                                             |
| missed/fouled appointments, and similar items? (Exhibit A(2).) | WINBACKS                                                                                                                                     |
| - Carrier (L'anie 11(2))                                       |                                                                                                                                              |
|                                                                | Winbacks - Service Order                                                                                                                     |
|                                                                | Recurring Charges – N/A                                                                                                                      |
|                                                                | Non Recurring Charges – \$10.81                                                                                                              |
|                                                                | Winbacks - Installation                                                                                                                      |
|                                                                | Recurring Charges – N/A                                                                                                                      |
|                                                                | Non Recurring Charges – \$2.68                                                                                                               |
|                                                                | 1 Ton Room (Hig Charges — 44.00                                                                                                              |
|                                                                | Total                                                                                                                                        |
|                                                                | Recurring - N/A                                                                                                                              |
|                                                                | Non Recurring Charges - \$13.49                                                                                                              |
|                                                                |                                                                                                                                              |
|                                                                | PREMISE VISIT – NEW LOOPS, HOT CUTS                                                                                                          |
|                                                                | <u></u>                                                                                                                                      |

| DISPUTED ISSUES | CAVALIER PROPOSED CONTRACT LANGUAGE                                                                                                                                                               |
|-----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                 | Premises visit – Service Order                                                                                                                                                                    |
|                 | Recurring Charges – N/A                                                                                                                                                                           |
|                 | Non Recurring Charges - \$47.55                                                                                                                                                                   |
|                 |                                                                                                                                                                                                   |
|                 | Total                                                                                                                                                                                             |
|                 | Recurring Charges – N/A                                                                                                                                                                           |
|                 | Non Recurring Charges - \$47.55                                                                                                                                                                   |
|                 | PREMISE VISIT – MAINTENANCE                                                                                                                                                                       |
|                 | Premise Visit – Service Order                                                                                                                                                                     |
|                 | Recurring Charges – N/A                                                                                                                                                                           |
|                 | Non Recurring Charges - \$47.55                                                                                                                                                                   |
|                 | Non Recurring Charges - 347.55                                                                                                                                                                    |
|                 | Total                                                                                                                                                                                             |
|                 | Recurring Charges – N/A                                                                                                                                                                           |
|                 | Non Recurring Charges - \$47.55                                                                                                                                                                   |
|                 |                                                                                                                                                                                                   |
|                 | MISSED APPOINTMENTS                                                                                                                                                                               |
|                 | Premises Visit – Service Order                                                                                                                                                                    |
|                 | Recurring Charges - \$16.00 for each quarter hour after the first half                                                                                                                            |
|                 | hour's delay                                                                                                                                                                                      |
|                 | Non Recurring Charges - \$50.00                                                                                                                                                                   |
|                 | V. Cavalier Collection Services                                                                                                                                                                   |
|                 | Intrastate collection –Under the same rates, terms, and conditions as applicable per Verizon – VA SCC Tariff No. 218, as amended from time to time.                                               |
|                 | VI. Cavalier Operation Support Systems                                                                                                                                                            |
|                 | Under the same rates, terms, and conditions specified in this Exhibit A for analogous Verizon operation support systems functions                                                                 |
|                 | VII. All Other Cavalier Services Available to Verizon for Purposes<br>of Effectuating Local Exchange Competition                                                                                  |
|                 | Available at rates comparable to Verizon charges or at Cavalier's tariffed rates or generally available rates.                                                                                    |
|                 | See also accompanying redlined version of Exhibit A, which is an excerpt from the marked-up pricing schedule that was part of Exhibit B to Cavalier's August 1, 2003 Petition in this proceeding. |

| DISPUTED ISSUES                                                                                                          | CAVALIER PROPOSED CONTRACT LANGUAGE |
|--------------------------------------------------------------------------------------------------------------------------|-------------------------------------|
| Issue V34: Should Cavalier be required to provide monthly advanced payments of estimated charges, with appropriate true- | See Issue C21, above.               |
| up against actual billed charges,<br>if Cavalier is insolvent or fails to<br>timely pay two or more bills                |                                     |
| from Verizon or a Verizon<br>affiliate in any 12-month period?<br>(§ 20.6).                                              |                                     |

Dated: October 24, 2003.

Respectfully submitted,

Stephen T. Perkins (VA Bar #38483)

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and -

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### EXHIBIT "A" TO CAVALIER'S NOTICE OF FINAL SUBSEQUENT OFFERS

# CAVALIER'S 10/24/03 SUBSEQUENT FINAL OFFER LANGUAGE, SHOWING CAVALIER'S PROPOSED CHANGES TO 8/1/03 PRICING SCHEDULE

VERIZON VIRGINIA INC. and CAVALIER

### DETAILED SCHEDULE OF ITEMIZED CHARGES

### 1. VERIZON SERVICES, FACILITIES, AND ARRANGEMENTS:1

### INTERCONNECTION

| Service or Element Description:                                                                                                                                                                               | Recurring Charges:                                                                     | Non-Recurring Charges:                                                                 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| I. Reciprocal Compensation Traffic<br>Termination                                                                                                                                                             |                                                                                        |                                                                                        |
| Traffic Delivered at Verizon End Office                                                                                                                                                                       | \$.000927/MOU                                                                          | Not Applicable                                                                         |
| Traffic Delivered at Verizon Tandem                                                                                                                                                                           | \$.001590/MOU                                                                          | Not Applicable                                                                         |
| II. Entrance Facilities and Transport for Interconnection  A. Entrance facilities, and transport, as appropriate, for Interconnection at Verizon End Office, Tandem Office, or other Point of Interconnection | Per rates in Part B (Unbundled Network Elements), Sections I (Dedicated Transport) and | Per rates in Part B (Unbundled Network Elements), Sections I (Dedicated Transport) and |
|                                                                                                                                                                                                               | IV (Unbundled Entrance Facilities).                                                    | IV (Unbundled Entrance Facilities).                                                    |

All costs are subject to change pursuant to any order or decision by the FCC in CC Docket Nos. 00-218, 00-249, and 00-251, including true-up pursuant to ¶ 10 of the FCC's January 17, 2001 Order, FCC 01-21, 16 FCC Rcd 6231 (released January 19, 2001).

| Recurring Charges:                      | Non-Recurring Charges:                                                                                                                                                                           |
|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Recurring Charges:                      | Non-Recurring Charges:                                                                                                                                                                           |
| Density Cell:<br>1-\$1181.15the rate    | Service Order Connect:<br>\$10.81/Order                                                                                                                                                          |
| PUC970005                               | Service Order Disconnect:<br>\$4.91/Order                                                                                                                                                        |
| specified in<br>PUC970005               | If premises visit not required, initial & each additional loop - \$50.89                                                                                                                         |
| specified in<br>PUC970005               | If a premises visit is required: initial loop installed on that visit \$107.50;                                                                                                                  |
|                                         | Each additional loop installed on that visit: \$81.63                                                                                                                                            |
|                                         | Installation Disconnect:<br>\$1.07/Loop                                                                                                                                                          |
| Density Cell:<br>1 - \$36.44/Month      | Service Order Connect:<br>\$15.29/Order                                                                                                                                                          |
| 2 - \$46.76/Month<br>3 - \$46.76/Month. | Service Order Disconnect:<br>\$4.91/Order                                                                                                                                                        |
|                                         | If premises visit not required, initial & each additional loop - \$11.61                                                                                                                         |
|                                         | If a premises visit is required: initial loop installed on that visit: \$56.48;                                                                                                                  |
|                                         | Each additional loop installed on that visit: \$30.62                                                                                                                                            |
|                                         | Installation Disconnect:<br>\$1.07/Loop                                                                                                                                                          |
|                                         | Density Cell: 1-\$1181.15the rate specified in PUC970005 2-\$1181.15the rate specified in PUC970005 3-\$1181.15the rate specified in PUC970005 Density Cell: 1 - \$36.44/Month 2 - \$46.76/Month |

| Service or Element Description:                                                                                                                                                                                                                                                           | Recurring Charges:                                                           | Non-Recurring Charges:                                                                                                                                                                                                                                                                                                                                |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2 Wire ADSL compatible Loops 2 Wire HDSL compatible Loops 2 Wire SDSL compatible Loops 2 Wire IDSL compatible Loops 2 Wire Digital Designed Metallic Loops (under § 11.2.8(a)) DSL-compatible Loops for DSL, ADSL, or RADSL, as specified in Verizon's GUI Any other DSL-compatible Loops | Density Cell: 1 - \$10.74/Month 2 - \$16.45/Month 3 - \$29.40/Month          | Service Order Connect: \$15.29/Order Service Order Disconnect: \$4.91/Order  Installation: If a premises visit is not required, initial & each additional loop - \$11.61  If a premises visit is required: initial loop installed on that visit: \$56.48  Each additional loop installed on that visit: \$30.62  Installation Disconnect: \$1.07/Loop |
| 4 Wire HDSL Loops  4-Wire DS1-compatible Loops                                                                                                                                                                                                                                            | Density Cell:<br>1 - \$22.25/Month<br>2 - \$33.23/Month<br>3 - \$56.75/Month | Service Order Connect: \$10.81/Order Service Order Disconnect: \$4.91/Order If premises visit not required, initial & each additional loop - \$50.89 If a premises visit is required: initial loop installed on that visit \$107.50; Each additional loop installed on that visit: \$81.63 Installation Disconnect: \$1.07/Loop                       |
| Coordinated Cutover                                                                                                                                                                                                                                                                       | Not Applicable                                                               | If premises visit not required,<br>\$2.89/Loop  If premises visit required, \$11.74/Loop                                                                                                                                                                                                                                                              |

### Service or Element Description:

### Standard Digital Loops

and 2-Wire Digital Designed Metallic Loops (under § 11.2.8(a))

### **Recurring Charges:**

All: \$.40/ Mechanized Loop Qualification per Loop Provisioned

\$1.69/Wideband Test Access System

### Non-Recurring Charges:

All:

\$93.70/ Manual Loop Qualification per Loop Request

\$28.18/Cooperative Testing

\$127.28/Line Station Transfer

At the lowest Verizon rate approved by a public service commission within Cavalier's footprint, for the removal of bridged taps on loops over 18,000 feet in length, pending the adoption of final rates by the Commission, until such time as applicable rates are set by the Federal Communications

Commission in CC Dockets No. 00-218 and 00-251, at which time those rates shall apply, subject to change upon the decision of any challenge to those rates by Verizon or by Cavalier.

At the lowest Verizon rate approved by a public service commission within Cavalier's footprint, for the removal of load coils on loops over 18,000 feet in length, pending the adoption of final rates by the Commission, until such time as applicable rates are set by the Federal Communications

Commission in CC Dockets No. 00-218 and 00-251, at which time those rates shall apply, subject to change upon the decision of any challenge to those rates by Verizon or by Cavalier.

2 Wire ADSL compatible Loops (up to 3012,000 feet)

2 Wire ADSL compatible Loops (up to 3018,000 feet) See rates for 2 Wire ADSL Loops as set forth above

See rates for 2 Wire ADSL Loops as set forth above

| Service or Element Description:  2 Wire HDSL compatible Loops (up to 3012,000 feet)                                   |                                                                                                       | Non-Recurring Charges: L Loops as set forth above                                  |
|-----------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|
| 4 Wire HDSL compatible<br>Loops (up to 3012,000 feet)                                                                 | See rates for 4 Wire HDS                                                                              | L Loops as set forth above                                                         |
| 2 Wire SDSL compatible Loops                                                                                          | See rates for 2 Wire SDSL Loops as set forth above                                                    |                                                                                    |
| 2 Wire IDSL compatible Loops (up to 3018,000 feet)                                                                    | See rates for 2 Wire IDSL Loops as set forth above                                                    |                                                                                    |
| 2-Wire Digital Designed Metallic Loops (under § 11.2.8(a))                                                            | See rates for 2 Wire HDSL Loops as set forth above See rates for 2 Wire HDSL Loops as set forth above |                                                                                    |
| All other DSL-compatible Loops                                                                                        |                                                                                                       |                                                                                    |
| Intentionally Omitted Digital Designed Loops 2 Wire ADSL compatible Loop (up to 12,000 feet) with Bridged Tap removal | See rates for 2 Wire ADS                                                                              | L Loops as set forth above  Removal of one Bridged Tap per                         |
|                                                                                                                       |                                                                                                       | Request: \$177.48  Removal of Multiple Bridged Taps per Loop per Request: \$430.79 |
|                                                                                                                       |                                                                                                       | Engineering Query: \$121.37                                                        |
|                                                                                                                       |                                                                                                       | Engineering Work Order Charge:<br>\$500.90                                         |
| 2 Wire ADSL compatible Loop<br>(up to 18,000 feet) with Bridged                                                       | See rates for 2 Wire ADS                                                                              | L Loops as set forth above                                                         |
| <del>Tap removal</del>                                                                                                |                                                                                                       | Removal of one Bridged Tap per<br>Request: \$177.48                                |
|                                                                                                                       |                                                                                                       | Removal of Multiple Bridged Taps per<br>Loop per Request: \$430.79                 |
|                                                                                                                       |                                                                                                       | Engineering Query: \$121.37                                                        |
|                                                                                                                       |                                                                                                       | Engineering Work Order Charge:<br>\$500.90                                         |

### Service or Element Description:

2 Wire Digital Designed Metallic Loop (up to 30,000 Feet) Non-loaded with Bridged Tap options

### Recurring Charges: Non-Recurring Charges:

See rates for 2 Wire ADSL and 2 Wire HDSL Loops as set forth above

Required Removal of Load Coils (up to 21,000 feet): \$707.99

Required Removal of Load Coils (up to 27,000 feet): \$941.06

Removal of one Bridged Tap per Request: \$177.48

Removal of Multiple Bridged Taps per Loop per Request: \$430.79

Engineering Query: \$121.37

Engineering Work Order Charge: \$500.90

2 Wire Digital Designed
Metallic Loop with ISDN Loop
Extension Electronics

See rates for 2 Wire ISDN Loops as set forth above

Required Removal of Load Coils (up to 21,000 feet): \$707.99

Required Removal of Load Coils (up to 27,000 feet): \$941.06 Addition of Range Electronics: \$929.08

Engineering Query: \$121.37

Engineering Work Order Charge: \$500.90

2 Wire HDSL compatible Loops (up to 12,000 feet) with Bridged Tap removal See rates for 2 Wire HDSL Loops as set forth above

Removal of one Bridged Tap per Request: \$177.48

Removal of Multiple Bridged Taps per Loop per Request: \$430.79

Engineering Query: \$121.37

Engineering Work Order Charge: \$500.90

### Service or Element Description:

4-Wire HDSL compatible Loops (up to 12,000 feet) with Bridged Tap removal

### Recurring Charges: Non-Recurring Charges:

See rates for 4 Wire HDSL Loops as set forth above

Removal of one Bridged Tap per

Request: \$177.48

Removal of Multiple Bridged Taps per

Loop per Request: \$430.79

Engineering Query: \$121.37

**Engineering Work Order Charge:** 

\$500.90

with Bridged Tap removal

2 Wire SDSL compatible Loops See rates for 2 Wire SDSL Loops as set forth above

Removal of one Bridged Tap per

Request: \$177.48

Removal of Multiple Bridged Taps per

Loop per Request: \$430.79

Engineering Query: \$121.37

**Engineering Work Order Charge:** 

\$500.90

2 Wire IDSL compatible Loops (up to 18,000 feet) with Bridged Tap removal

See rates for 2 Wire IDSL Loops as set forth above

Removal of one Bridged Tap per

Request: \$177.48

Removal of Multiple Bridged Taps per

Loop per Request: \$430.79

Engineering Query: \$121.37

**Engineering Work Order Charge:** 

\$500.90

### 2. Cavalier SERVICES, FACILITIES, AND ARRANGEMENTS:

### Service or Element Description: I. Reciprocal Compensation Traffic

Termination

Traffic Delivered at End Office

Recurring Charges:

Non-Recurring Charge:

Not Applicable

\$.000927/MOU

Traffic Delivered at Tandem \$.001590/MOU Not Applicable

II. Exchange Access Service

Interstate Per Cavalier FCC exchange access tariff as amended from

time to time.

Intrastate Per Cavalier VA tariff exchange access tariff as amended from

time to time.

III. Entrance Facilities and Transport for Interconnection Per Cavalier Access Services Tariff SCC VA No. 10 as

amended from time to time.

IV. UNE-Related Functions Performed by Cavalier

WINBACKS

Winbacks-Service Order Not applicable \$10.81

Winbacks-Installation Not applicable \$2.68

Total Not applicable \$13.49

PREMISE VISIT - NEW LOOPS,

HOT CUTS

Premises Visit Not applicable \$47.55

Total Not applicable \$47.55

PREMISE VISIT - MAINTENANCE

Premises Visit Not applicable \$47.55

Total Not applicable \$47.55

MISSED APPOINTMENTS

Premises Visit \$16.00 for each quarter \$50.00

hour after the first half

hour's delay

### V. Cavalier Collocation Services

<u>Intrastate collocation</u> <u>Under the same rates, terms, and conditions as applicable per</u>

Verizon -VA SCC Tariff No. 218, as amended from time to

time.

VI. Cavalier Operation Support Systems <u>Under the same rates, terms, and conditions specified in this</u> <u>Exhibit A for analogous Verizon operation support systems</u>

functions

IVII. All Other Cavalier Services Available to Verizon for Purposes of Effectuating Local Exchange Competition Available at <u>rates comparable to Verizon charges or at</u> Cavalier's tariffed <u>rates</u> or <del>otherwise</del> generally available rates.

### EXHIBIT "B" TO CAVALIER'S NOTICE OF FINAL SUBSEQUENT OFFERS

# CAVALIER'S 10/24/03 UPDATE TO STATUS OF ISSUES LISTED IN EXHIBIT "A" TO CAVALIER'S 8/1/03 PETITION

| C1: Should Verizon be required to compensate Cavalier for Verizon's collocation on Cavalier premises? (§ 4.3)  C2: Should Verizon be required to compensate Cavalier for out-of-pocket expenses incurred Disputed |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| C2: Should Verizon be required to compensate Cavalier for out-of-pocket expenses incurred   Disputed                                                                                                              |
|                                                                                                                                                                                                                   |
| in response to Verizon network rearrangements (such as tandem re-homing)? (§ 9.6)                                                                                                                                 |
| C3: Should meet-point billing be improved as set forth in Cavalier's Virginia arbitration  Disputed                                                                                                               |
| petition? (§§ 1.12(b), 1.46, 1.48, 1.62(a), 1.87, 5.6.6, 5.6.6.1, 5.6.6.2, and 7.2.2)                                                                                                                             |
| C4: Should Cavalier be required to pay the unspecified charges of non-parties to the Disputed                                                                                                                     |
| agreement, as determined at the sole discretion of such non-parties? (§ 7.2.6)                                                                                                                                    |
| C5: Should Verizon be required to render affirmative but reasonably limited assistance to   Disputed                                                                                                              |
| Cavalier in coordinating direct traffic exchange agreements with third parties? (§ 7.2.8)                                                                                                                         |
| C6: Should Verizon effect appropriate changes to its E911 tariffs and procedures to  Disputed                                                                                                                     |
| accommodate the provision of some E911-related services by CLECs such as Cavalier, as set                                                                                                                         |
| forth in Cavalier's Virginia arbitration petition? (§§ 7.3.9, 7.3.10)                                                                                                                                             |
| C7: Should joint grooming provisions be modified to accommodate existing arrangements  Resolved                                                                                                                   |
| involving more than 240 trunks in a wire center? (§ 10.0)                                                                                                                                                         |
| C8: Should Verizon be required to resume its pre-5/01 UNE T1 provisioning criteria? (§ Resolved                                                                                                                   |
| 11.2.9)                                                                                                                                                                                                           |
| C9: Should the agreement include language to address inconsistency between the results  Disputed, in the revised form state                                                                                       |
| obtained by Verizon and by Cavalier from the loop prequalification database, to allow Cavalier   in the Notification of Subsequent                                                                                |
| to provide xDSL services on loops over 18,000 feet in length, and to adopt pricing for loop Final Offers.                                                                                                         |
| conditioning and loops used by Cavalier to provide xDSL services? (§§ 11.2 and Exhibit A)                                                                                                                         |
| C10: Should the agreement be amended to modify use of the term "accessible terminal" (§ The first three sub-issued were                                                                                           |
| 11.2.15.1), restore a provisioning interval (§ 11.2.15.8), modify a use restriction (§ resolved; four sub-issues remain                                                                                           |
| 11.2.15.15), and add queue, CO-connectivity-maps, and improved-field-survey terms from <b>disputed</b> in the revised form state                                                                                  |

| 0 1: 1 7: 1: 1: 1: 1: 1: 1: 1: 1: 1: 1: 1: 1: 1:                                                  | 1 4 51 10 1 00 1                     |
|---------------------------------------------------------------------------------------------------|--------------------------------------|
| Cavalier's Virginia arbitration petition? (§ 11.2.15)                                             | in the Notification of Subsequent    |
|                                                                                                   | Final Offers.                        |
| C11: Should the agreement require improved project coordination for special access                | Resolved                             |
| migrations to UNEs, particularly when an asset or ownership acquisition is involved? (§ 14.6)     |                                      |
| C12: Should the agreement address electronic loop provisioning and include a process to           | Resolved                             |
| address the hot-cut process? (§§ 11.15, 11.16)                                                    |                                      |
| C13: Should reciprocal charges apply for Cavalier's processing of Verizon's winback orders?       | This issue was initially reported as |
| (§ 11.9)                                                                                          | resolved, but it is now part of      |
|                                                                                                   | disputed Issue C27.                  |
| C14: Should the agreement require a limited trial to explore IDLC loop unbundling, as             | Disputed                             |
| proposed in Cavalier's Virginia arbitration petition? (§ 11.4)                                    |                                      |
| C15: Should an expedited provisioning interval apply for collocation augments involving           | Resolved                             |
| certain combinations of services (DS1s/DS3s/dark fiber/power)? (§ 13.0)                           |                                      |
| C16: Should a unified engineering and make-ready process apply for pole attachments? (§           | Disputed                             |
| 16.0)                                                                                             | _                                    |
| C17: Should a new process govern proper handling of customer contacts, as proposed by             | Disputed                             |
| Cavalier with issues 11 and 12 in its Virginia arbitration petition? (§ 18.2)                     | _                                    |
| C18: Should a credit apply for Verizon pre-production errors, should remedies be aligned          | Disputed                             |
| between CLEC and Verizon retail customers, and should appropriate provisions govern               |                                      |
| Yellow Pages contacts and errors? (§ 19.1.6)                                                      |                                      |
| C19: Should a new process be used to reclassify end offices into different density cells for      | Resolved                             |
| UNE pricing purposes, as proposed in Cavalier's Virginia arbitration petition, and,               |                                      |
| specifically, should the Bethia end office be reclassified into density cell one or two? (§ 20.3) |                                      |
| C20: Should Cavalier be allowed to charge prices higher than Verizon's prices, if those prices    | Resolved                             |
| remain subject to challenge by Verizon under 20.4? (§§ 20.2, 20.3)                                |                                      |
| C21: Should the agreement allow for a unilateral Verizon demand for deposits and advance          | Disputed                             |
| payments? (§ 20.6)                                                                                |                                      |
| C22: Should the insurance limits be adjusted to reflect Cavalier's actual coverage? (§ 21.0)      | Resolved                             |
| C23: Should the agreement require unspecified "affiliates" as additional insureds? (§ 21.2)       | Resolved                             |
| C24: Should an embargo or termination of services require prior Commission approval, as           | Disputed                             |
|                                                                                                   |                                      |

|          | Verizon's placement of facilities at Cavalier's premises? (Schedule 4.2.2)                         |
|----------|----------------------------------------------------------------------------------------------------|
|          | Cavalier premises, should the Agreement include reasonable terms and conditions governing          |
| Resolved | V7: If, contrary to applicable law, Verizon is required to deliver traffic to a POI located at     |
|          | office reciprocal compensation rates approved by the Commission? (§§ 5.7.3)                        |
| Kesolved | V6: Should the compensation for terminating local traffic consist of only the tandem or end        |
|          |                                                                                                    |
|          | serving comparable areas? (§ 5.7.3)                                                                |
|          | to the areas served by Verizon's tandems, without demonstrating that its switches are actually     |
|          | on a mere showing that its switches are "capable of serving" areas geographically comparable       |
| Resolved | V5: Should Cavalier be permitted to receive the higher tandem reciprocal compensation rate         |
|          | (8), 1.51, 1.52(a), 1.68, 1.88, 1.89, 5.7.5 et seq., 5.8)                                          |
| Resolved | V4: Should the Agreement specify the compensation for traffic delivered to ISPs? (§§ 1.44,         |
|          | 1.89, 5.7 et seq.)                                                                                 |
|          | calculating, reciprocal compensation payments? (§§ 1.44(a), 1.45(a), 1.51, 1.52(a), 1.68, 1.88,    |
| Resolved | V3: Should the Agreement define the types of traffic eligible for, and the method of               |
|          | 5.6.6, 5.6.8, 5.7.5.2.1, 5.7.5.2.4.1, 5.7.5.2.4.2, 5.7.6.9)                                        |
| Resolved | V2: Should the Agreement's provisions on V/FX traffic be reciprocal? (§§ 1.51(7), 1.52(a),         |
|          | compensation? (§§ 1.37, 1.51(6), 5.7.6.6, 7.1)                                                     |
| Resolved | VI: Should the Agreement provide that information services traffic is not subject to reciprocal    |
|          | 1.52(a), 5.6.6, 5.6.8, 5.7.5.2.1, 5.7.5.2.4.1, 5.7.5.2.4.2, 5.7.6.9]                               |
| Resolved | C28: Should the parties' obligations regarding V/FX traffic be reciprocal? [§§1.51(7),             |
|          | missed/fouled appointments, and similar items? (Exhibit A(2).)                                     |
| Disputed | C27: Should pricing be added for charges from Cavalier for Cavalier truck rolls, Verizon           |
| Resolved | C26: Should the provision for AAA arbitration be deleted or modified?                              |
|          | generally?" (§ 25.2.7)                                                                             |
|          | violation of any state or federal regulation governing telecommunications or commerce more         |
|          | telecommunications services or commerce more generally, or as a result of cither party's           |
|          | claimed as a result of either party's violation of state or federal law governing the provision of |
| Disputed | C25: Should the agreement include a new section 25.5.7: "for legally cognizable damages            |
|          | proposed in Cavalier's Virginia arbitration petition? (§ 22.4)                                     |
|          |                                                                                                    |

| V 8: Should the Agreement contain language setting forth the Parties' obligations regarding fiber meet arrangements? (§ 4.4)                                                                                                                                                                                                                                                                               | Resolved |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| V9: Should Cavalier be required to charge Verizon a rate that is no higher than the rate Verizon charges for comparable services, unless Cavalier demonstrates to Verizon, the Commission, or the FCC, that Cavalier's costs to provide such services exceed Verizon's costs, and the Commission, or the FCC has issued an unstayed order directing Verizon to pay Cavalier's higher rate? (§§ 20.2, 20.3) | Resolved |
| V10: Should the Agreement include language clarifying that Cavalier's obligation to route traffic in a manner that is consistent with the Local Exchange Routing Guide ("LERG") includes establishing separate trunks that segregate all traffic to a particular tandem from traffic to a different tandem? (§ 5.3.2)                                                                                      | Resolved |
| V11: Should Cavalier be required to order access toll connecting facilities from Verizon through Verizon's access tariffs, when those facilities will be used solely for the exchange of access traffic? (§ 6.2.1)                                                                                                                                                                                         | Resolved |
| V12: Should the Agreement include conflicting language concerning the routing of translated intraLATA 8YY traffic? (§§ 4.1.1, 5.3; Schedule 4, Part C § 3)                                                                                                                                                                                                                                                 | Resolved |
| V13: Should the Agreement be modified to eliminate references to exchanging traffic using feature group B ("FG-B") exchange access trunks? (Schedule 4, Part C § 1.7)                                                                                                                                                                                                                                      | Resolved |
| V14: Should the Agreement clarify that the Parties' mutual obligation to provide trunk groups that support 64K CCC functionality is subject to the technical limitations of available equipment? (§§ 17.4, 17.5, 17.6; Schedule 4, Part B §§ 5.1, 5.2, 5.3)                                                                                                                                                | Resolved |
| V15: Should the Agreement include selective and incomplete language governing the busy line verification ("BLV") and busy line verification interrupt ("BLVI") services? (§ 19.5; Schedule 4, Part C §§ 1.4, 12)                                                                                                                                                                                           | Resolved |
| V16: Should the remaining provisions of Part C of Schedule 4 of the Agreement be deleted or moved, with Verizon's proposed changes, to the relevant sections of the Agreement? (§§ 4.2, 5, 6.2.5, 6.3.1, 6.4, 7.3, 9.1, 10; Schedule 4, Part C §§ 1.2, 1.3, 1.5, 1.6, 2, 4-11, 13-18)                                                                                                                      | Resolved |
| V17: Should trunk group blocking notification obligations be reciprocal? (§ 10.1.1.3;                                                                                                                                                                                                                                                                                                                      | Resolved |

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|                                                                                                                                                                                                                                                                                                                                                              | seems to contend that it is disputed under Issue C9.] |
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| V27: Should the Agreement contain provisions governing the conversion of tariffed transport services used for interconnection purposes to unbundled IOF? (§ 11.5)                                                                                                                                                                                            | Resolved                                              |
| V28: Should "services" be changed to "special access services" throughout § 11.13 of the Virginia Agreement to more accurately reflect the Bureau's ruling in the Virginia Arbitration Order? (§ 11.13)                                                                                                                                                      | Resolved                                              |
| V29: Should Cavalier be required to submit an Access Service Request ("ASR") to Verizon for each special access circuit it seeks to convert to an EEL unless the Parties otherwise agree? (§ 11.13.3)                                                                                                                                                        | Resolved                                              |
| V30: Should the effective billing date for conversion of special access service to EELs be the first day of the calendar month following Verizon's receipt of Cavalier's request for conversion? (§ 11.13.4.1)                                                                                                                                               | Resolved                                              |
| V31: Should the Agreement provide that, where existing interconnection arrangements are to be converted to the new interconnection architecture specified in the Agreement, the Parties must develop a suitable written transition plan and may recover the costs for services provided in connection with such conversions? (Schedule 4, Part B § 3; § 4.5) | Resolved                                              |
| a. Should the Agreement provide for the Parties to develop a written transition plan that<br>addresses the relevant details of such a transition?                                                                                                                                                                                                            |                                                       |
| b. Should the Agreement be modified to clarify that the Parties are entitled to recover<br>costs for services provided in connection with converting existing interconnection<br>arrangements?                                                                                                                                                               |                                                       |
| c. Should unclear and unnecessary language concerning transitions to new arrangements<br>in Schedule 4, Part B § 3.1 be removed from the Agreement?                                                                                                                                                                                                          |                                                       |
| V32: Should the Agreement recognize that the Parties should negotiate in good faith concerning reasonable terms and conditions that apply to services or arrangements that have                                                                                                                                                                              | Resolved                                              |

| not yet been provided in Virginia? (§ 28.4)                                                        |                            |
|----------------------------------------------------------------------------------------------------|----------------------------|
| V33: Should the Agreement contain language addressing network security risks associated            | Resolved                   |
| with interconnection at the public Internet Protocol network? (§ 17.3)                             |                            |
|                                                                                                    |                            |
| V34: Should Cavalier be required to provide monthly advanced payments of estimated                 | Disputed, under Issue C21. |
| charges, with appropriate true-up against actual billed charges, if Cavalier is insolvent or fails |                            |
| to timely pay two or more bills from Verizon or a Verizon affiliate in any 12-month period?        |                            |
| (§ 20.6)                                                                                           |                            |
| V35: Should the Agreement specify that it is an extension, amendment, and restatement of the       | Resolved                   |
| Parties' prior interconnection agreement, rather than a new agreement, and that all monetary       |                            |
| obligations owed under the prior agreement remain due under the new Agreement? (§ 28.19)           |                            |
| V36: Should the Agreement include non-controversial "clean up" changes that either clarify         | Resolved                   |
| language or add definitions to the Virginia Agreement? (§§ 1.0, 1.7, 1.9, 1.10(a), 1.13(a),        |                            |
| 1.36, 1.44, 1.46, 1.51(b), 1.51(d), 1.52, 1.53, 1.54, 1.67, 1.73, 1.74, 1.77, 1.78, 1.93, 6.3.3,   |                            |
| 6.3.8, 6.3.9, 7.3.6, 7.3.7, 7.3.10, 10.2.1.1, 10.2.1.2, 10.3.1, 10.3.3.1, 11.1.1, 11.2.1, 11.2.7,  |                            |
| 11.2.8, 11.2.10, 11.2.12.2, 11.2.12.2(A), (C), & (E), 11.2.12.3, 11.2.12.3(A), (B), 11.4.1.5.2,    |                            |
| 11.7.9, 11.12.2, 26.1, 28.11.1(9); Schedule 4, Part B §§ 1, 1.1, 1.2, 1.3, 5.1, 5.2, 5.4, 5.5)     |                            |

### CERTIFICATE OF SERVICE

I certify that true and accurate copies of the foregoing pleading were served this 24<sup>th</sup> day of October, 2003 to the following persons, by the methods indicated:

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